

# **FINANCE COMMITTEE MEETING**

**LEWISTON, MAINE**

## **MINUTES**

**December 1, 2003**

**PRESENT:** Robert Stone, Councilor Lillian O'Brien, Roger Provencher, Ronald Paradis and Councilor Roger Philippon.

**ABSENT:**

**ALSO PRESENT:** Norman Beauparlant, Director of Budget/Purchasing

The meeting was called to order at 5:00 p.m. by Chairman Robert Stone

On motion of Mr. Provencher, seconded by Mr. Paradis it was

**VOTED:**

**(161-2003)** To dispense with reading of the minutes of the previous meeting dated November 3, 2003 and to accept and place them on file as submitted by the Clerk.

**VOTE: 3-0**

Jim Andrews, Director of Economic and Community Development, gave a presentation regarding the proposed housing project for the former St. Dominic's school on Blake and Bates Streets. Mr. Andrews indicated that the project would consist of 37 one (1) bedroom housing units that would be located on the first and second floor of the building. The auditorium area on the first floor would be saved for use for events associated with people living within the housing complex. The units would be designed for elderly housing. The project would also include commercial and cafeteria space in the basement area of the complex. The total estimated cost of the project is \$6 million for the residential component. Realty Resources is the developer for the project. It is anticipated that the project would be tax exempt except for the commercial spaces within the complex and the tax exempt residential portion of the property would likely consider a payment in lieu of taxes (PILOT) similar to the structure that was utilized for the Frye School Housing project.

Committee members questioned how parking would be handled and it is anticipated that adjacent properties on the Blake Street side of the complex, some of which are City owned, would be utilized to supplement the parking needed for the project. Committee members also asked on how the project was going to be financed and Mr. Andrews indicated that State and Federal funds would make up a large portion of the project cost and no determination has been made yet as it pertains to any amount of local funding that may be required to see the project to fruition.

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Chairman Stone thanked Mr. Andrews for taking the time to review the proposed project with Finance Committee members.

On recommendation of the Purchasing Agent and on motion of Mr. Paradis, seconded by Mr. Provencher it was

### **VOTED:**

**(162-2003)** To ratify award of Bid 2003-77 on the season's requirements of Cold Patch to Harry C. Crooker & Sons, Topsham, Maine, only bidder at their bid price of \$58/ton.

**VOTE: 5-0**

At this time, the Committee considered award of the re-bid of a Multi-Purpose Tractor for the Parks & Recreation Department. The previous award of the bid to Howard P. Fairfield had been rescinded due to the language in the previous specifications which were confusing to one of the other bidders, Northland Holder.

The low bidder meeting specifications on the base bid was Northland Holder at a base bid price of \$65,872 compared to Howard P. Fairfield's price of \$69,495. It was recommended that the bid be awarded to Northland Holder at the base bid of \$65,872 and to also award Option 2 for the utility box in the amount of \$3,300 for a total award of \$69,172.

Roger Roak of Howard P. Fairfield indicated his concern with the re-bid process and the fact that it was not fair because his prices were known and on the table because of the original bid. Mr. Roak further indicated that his firm does do a lot of business with the City and enjoys that relationship and felt that he had to make his feelings known in regards to this situation.

Committee members thanked Mr. Roak for his comments and acknowledged that the re-bidding process was not the most favorable one however, they felt that the discrepancies in the specifications in the original bid warranted the rescinding of the original award. After a brief discussion, the following action was taken.

On recommendation of the Purchasing Agent and on motion of Mr. Philippon, seconded by Ms. O'Brien it was

### **VOTED:**

**(163-2003)** To award Bid 2003-79 on a Multi-Purpose Tractor to Northland Holder, Turner, Maine, low bidder meeting specifications on the base bid of \$65,872 and to further award Option 2 for a one yard utility body for a total award of \$69,172.

**VOTE: 5-0**

The Committee considered award of Bid 2003-73 and 2003-74 which were to furnish and install a Geomembrane cover at the Landfill and also site preparation for the cover area which was the

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separating of an earlier bid to have the work done by one bidder. The results of this re-bid process that the total cost now amount to \$131,283 which is approximately \$6,000 lower than the low bidder meeting specifications on the earlier bid process. Original Engineering estimates for the project amounted to \$90,000. Because of the lateness in the season and with an approval from the Department Environmental Protection to delay the project until next construction season, it was recommended that the bids for the cover and site preparation both be rejected at this time.

On recommendation of the Purchasing Agent and on motion of Mr. Provencher, seconded by Mr. Paradis it was

### **VOTED:**

**(164-2003)** To reject Bid 2003-74 on the furnishing and installing of a Geomembrane cover at the Landfill and to also reject Bid 2003-73 on site preparation for the cover area at the Landfill.

**VOTE: 5-0**

The Committee considered an amendment to the City Purchasing Policy on Section 3.1.6.3 that would establish a local vendor preference in a bidding situation. The matter had been referred to the Finance Committee by the City Council for a recommendation.

The Finance Director indicated that this matter had come before the Committee on many occasions over the years and the Committee has never felt it was beneficial to adopt a local preference policy. Included in the package was information which indicated that a local preference provision in the bidding process would result in reduced competition and increase prices. It was also noted that the National Institute of Governmental Purchasing recommends against adopting local preference in the bidding process.

Councilor Philippon indicated that the integrity of the bidding process was important and he was concerned relative to adopting a local vendor preference however, wondered if it would be feasible to allow for an award in situations where the amount is insignificant. Councilor O'Brien indicated her concern with establishing a local vendor preference because of the integrity in the bidding process.

City Administrator Jim Bennett indicated that the proposed language in the policy was permissive rather than mandatory by including language that stated "contract may be awarded to the Lewiston business".

Chairman Stone indicated that the permissive language that would be discretionary to the Committee would end up pitting one company versus the other and would still impact the integrity of the process. Mr. Provencher indicated that he was concerned with the current lack of competition that the Committee sees in certain bid situations and would hate to see a policy that would potentially further increase the lack of competition. Mr. Paradis indicated that the memorandum from the Finance Director clearly pointed out the disadvantages of establishing a local vendor preference policy. After further discussion, the following action was taken.

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On motion of Ms. O'Brien, seconded by Mr. Provencher it was

**VOTED:**

**(165-2003)** To recommended to the City Council that the current language in Section 3.1.6.3 of the Purchasing Policy on "Preferential Treatment" not be changed and that a "Local Vendor Preference" clause not be included as part of the City's Purchasing Policy.

**VOTE: 5-0**

Norm Beauparlant provided an update of the situation at 313 Lisbon Street where a condemned property had fallen bricks which had damaged an adjacent property over the weekend. The 313 Lisbon Street property is scheduled for demolition after the recent completion of asbestos removal and proposals should be received from two (2) contractors by Wednesday of this week. Due to the emergency situation, the contracts will be awarded as soon as the prices are received in order that the removal of the building can be completed in a timely fashion.

**VOTED:** to adjourn at 5:55 p.m.

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Richard T. Metivier  
Clerk  
Finance Committee